



PRECISION ENGINEERING

MARKET CONDITIONS SURVEY: RESULTS

Q4 2016

6 January 2017 - Almost half of the UK's precision engineers expect sales to increase in the next 12 months, according to Columbia Metals' Q4 2016 survey of market conditions in the sector. This marks the highest level of optimism since Q3 2015, although confidence in investment expenditure for the next year remains little changed.

"The new year has heralded renewed optimism amongst the UK's precision engineers," says David Stephenson, Managing Director of Columbia Metals. "There is no doubt we are still enduring a tough operating environment and considerable uncertainty over the outcome of Brexit negotiations. However, the rally in the prices of oil and copper at the end of 2016 has sparked some pockets of activity that will be a welcome boost for the market."

The full results of the survey are shown overleaf.

About Columbia Metals

Columbia Metals (www.columbiametals.com) is a leading stockholder of copper and nickel alloys, stainless steel and titanium, supplying precision manufacturers in a wide range of industries. The company stocks almost 100 alloy grades in round bar, hexagon, sheet, plate, tube and square and offers immediate delivery worldwide from its three warehouses in the UK.

About this survey

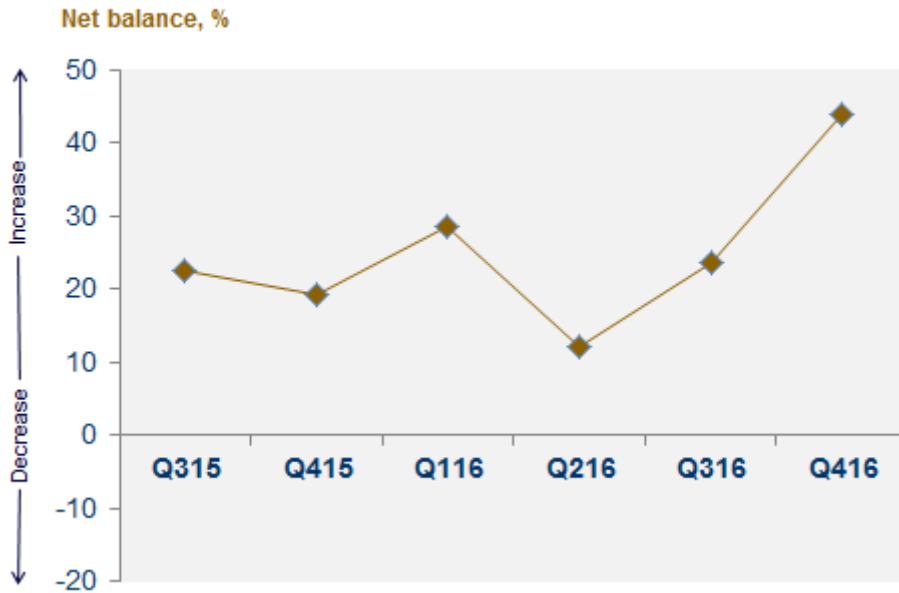
Columbia Metals contacted precision engineering companies in December 2016 with its sixth survey on current market conditions in the sector. Participants in the survey were principally precision engineering machinists in the oil & gas, marine, aerospace and defence industries.

Contact

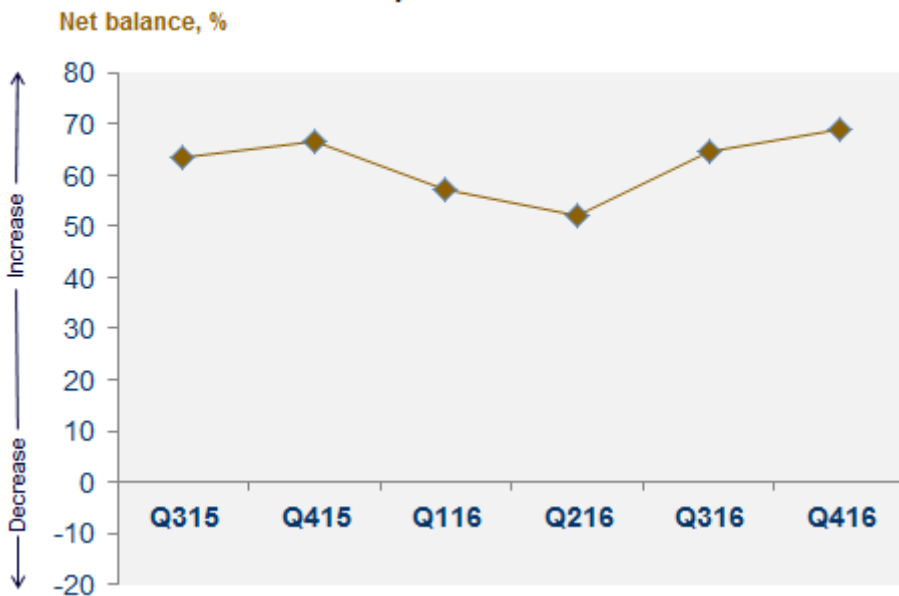
David Stephenson
Managing Director
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How do you expect your company's sales turnover to change in the next 12 months?

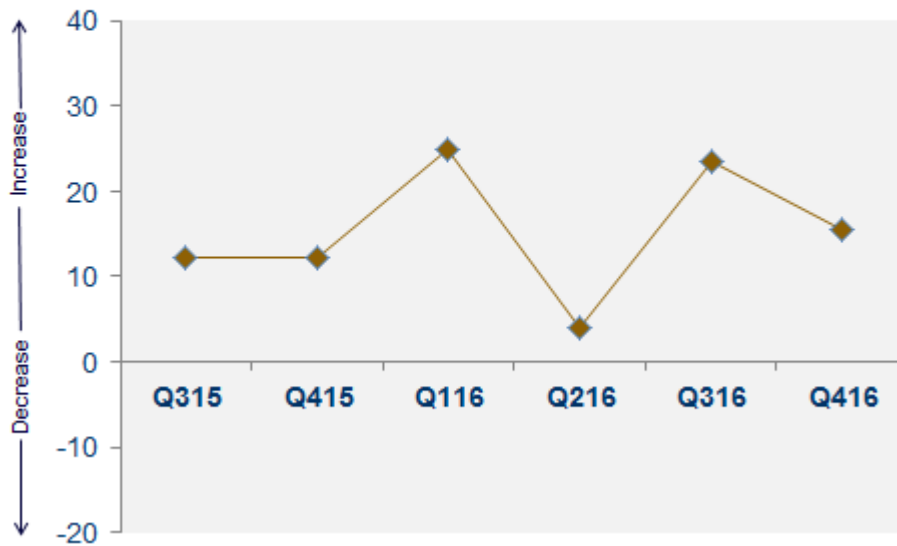


How do you expect the competitive environment to develop in the next 12 months?



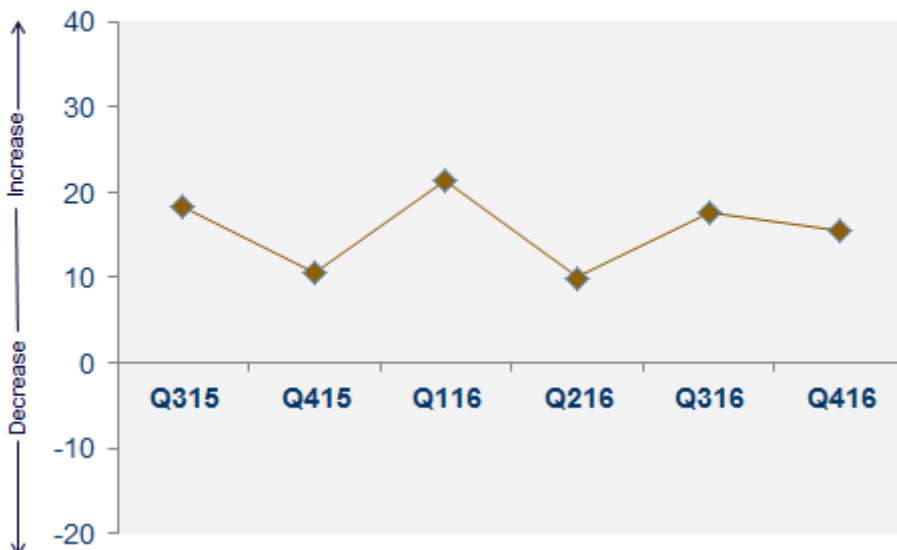
How do you expect your company's investment levels (plant, machinery etc) to change in the next 12 months?

Net balance, %



How do you expect your company's full-time staffing levels to change in the next 12 months?

Net balance, %



Participants' Comments

- “Everything we are hearing from our customers is positive for Q1 2017. It can’t get much worse than 2016.”
- “In our case, until the oil price increases, nothing will really change.”
- “[Conditions] are uber-tough. Brexit is punishing my firm in Europe, the dollar rate is wrecking my precious US import costs and life is generally pretty [awful] to be honest... The government makes more money than my firm on many lines for doing [very little]. F1 continues to dominate all the motorsport headlines and milk all the money. The MIA does [very little] for my sector. I am sick of working in motorsport to be honest. It is awful to be as skilled as I am and be cash-strapped every month.”
- “Market is slow but steady. Turnover is not increasing but products to be increased to uplift sales turnover.”
- “[Conditions are] dire.”
- “We are at the beginning of a massive surge in business activity. Post Brexit, the UK will become the flagship for entrepreneurship and global free trade.”
- “Budgets are getting tighter but if clients want the right look they are ok with the [price] increase.”
- “The quicker we conclude Brexit negotiations, the sooner we will see UK global trade rocketing.”